



IMPACT OF COMING OF ONLINE STORES ON RETAIL SPACE

Shubham Rattan

Assistant Professor of Commerce and Management, D.A.V College Chandigarh, India.

ABSTRACT

Online Shopping has made already-tech savvy people into lazier class of shopping which only wants to sit in one corner of their rooms and click and buy. This in turn, has resulted in an exponential decrease in footfalls in the usual markets where the population earlier used to identify, feel, negotiate and buy. Has the factor of convenience over-ruled the objectivity of the experience of buying in the markets, is what that has been researched in the paper and talked about.

KEY WORDS: E-commerce, online shopping, Retail, Experience.

INTRODUCTION

We must have come across various kinds of marketing-direct, catalogue, hoardings, direct selling and telephonic cold calls (Szymanski and Hise:2000).

With the coming of internet in 1991, the other forms of marketing seem to have lost their luster (Chiang and Dholakia: 2003). Internet Selling has become the new cosmos for selling not only covering largest audience, but also giving them convenience (Hoffman: 1996). The entire experience of shopping online is lurking. One tends to have all the variety of goods that he can have at throwaway prices. Comparisons are quick and effective esp. when the reviews are present for each product (Wang and Dora, 2004). There are no salesmen who would keep trying to sell the most expensive products, around. It does seem not less than a meditation. Plus, one gets to do all that right from your home with Cash on delivery being the icing on the cake.

Psychologically, the 72% buyers would curb their desire to get ready and drive, if shopping in the nearest mall is all they have to do (Lopez :1996). The avoidance of standing in long queues and billing centers will keep them to shopping the product online. A couple of clicks and a wait for a few days and the product is delivered to the consumer.

This study takes into account some of the past studies that very clearly define the reasons behind online retail hitting the retail space.

LITERATURE REVIEW

Brick and Mortar stores always have had something extra to offer- giving the experience of the product to the customer as well as the advice from the staff. Therefore, about 78% of consumers prefer to shop in store and spend about 54 mins in the retail store browsing for their product and buying (Stephanie, 2011). Also, the visual merchandising of the store tends to attract the consumer to the store giving him the perception of the upkeep or the quality of the product that the consumer is keen to buy. About 1 in every 5 customers tends to buy a product from a physical store against 1 in every 20 customers in an online shopping website (Gauri, 2005).

The personal rapport that the consumer makes with the store manager of the staff who is present to help him is an added advantage of trust to him because he knows he can come back in case of any kind of grievance. Also, in terms of certain products like apparels, the consumer would want to check the real color of the product before buying so that his expectation is able to meet the gratification accurately. That is one of the chief reasons that about 73% of the consumers want to touch a product or try it on before buying the product from the physically. (Chou, 1996)

This also leads to a rise in the number of Net Sales in the physical stores.

The section of home décor, which accounted for 17% of retailer's \$73 billion of the entire sales figure, the furniture retailers like Ikea came out with specific layouts known as Vignettes, which would showcase products in showrooms (Eric :2003). The idea behind this introduction was that they would arrange it in the same manner in which the consumer would use it at his place giving him a real idea of how the product would look like rather than just stacking it in a rack or shelves in the store. The idea behind all these moves of the brick and mortar stores was- It would give a more convenient experience to the consumers who through the store and would make it easier for them to make decisions until online shopping reinvented the definition of convenience.

The E – Commerce made buying more convenient and the buyers smarter. About 67% of the active shoppers who actually were serious to buy products for themselves now throng the stores to take a look at the physical aspect of the product and then order online because the price is cheaper (Shakir, 2010).

The presence of online forums, reviews and videos gave them an edge if buying a newly launched cell phone for which they had been waiting for months was actually worth the wait. The consumers tend to trust on the online reviews more for they find them unbiased vis-à-vis the store staff advice which tends to rope them in for a purchase that would give them max incentive. The consumers can even poll their network of friends for their choice.

The payment options are manifold online. Unlike those times when one just enters the store, chooses the item he wants to buy and takes it to the counter only to find that either the credit card or the debit card is not acceptable at the store or the network is poor that the billing does not take place or the card machine is not working, the multiple payment options tends to give the buyer the convenience to buy according to his own will. He also does not have to care about whether the store manager will ask him to disclose his pin which most of the buyers find uncomfortable at a store esp when there is a queue of buyers waiting behind him.

The human intervention, on most of the online websites is there to assist him only when the consumer is stuck in a problem and he is looking for a solution (Steve, 2014). There is no sales pitch involved making him uncomfortable and giving him a shopping experience.

The physical aspect of the any online product say clothes is taken care of giving the user magnifying and 360 degree view of the product so that he knows the exact look of the product in the absence of the tangibility of the product. The refund policy is actually a show stealer vis-à-vis physical stores wherein one can buy anything from the online store, keeping in mind that this can be exchanged or simply returned turns out to be faulty later (Mehmet, 2012).

While the physical stores do not entertain returns or exchanges that easily owing to the permissions on multiple levels of hierarchy.

RESEARCH METHODOLOGY

This study was based on secondary data collected from various research publications and journals based on how the online retailing space has made the consumer experience more comfortable to buy than the actual retail space from which interpretations were derived as above.

LIMITATIONS AND FUTURE RESEARCH

The above study caters to the convenience of the consumer in buying the product online wherein a lesser stress has been given to the genuineness of the product he is buying. The consumer does want to prefer convenience but will not settle down with a product from a website which he thinks is a not going to be a genuine deal.

The cookies on the online websites tend to act as a typical salesman even when the consumer is not surfing the website which have not been talked about. The details of the consumer are captured like his email and phone number even before when he starts his browsing of the website, thereby hindering his privacy and a rupture of his own space when the emails keep bombarding his email account. The consumer experience is totally dependent on his mood to shop.

CONCLUSIONS

Businesses can never profit in isolation. Therefore, it is vital for the stores to give an interface to audiences in both the ends-online and offline. The online experience, no matter how much creative an online company might make but giving the consumer the feeling of tangibility completes the deal in every sense.

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